

OPENING STATEMENT BY REP. JOHN BOEHNER, CHAIRMAN
EDUCATION & THE WORKFORCE COMMITTEE
MARKUP OF HIGHER EDUCATION RECONCILIATION BILL
WEDNESDAY, OCTOBER 26, 2005

Access to higher education, like a secure retirement, is important to American families and therefore important to this Committee. More students than ever before are pursuing the dream of a college education, and that's why it is so important that we place these programs on a solid financial foundation for students today and into the future.

For more than two years we've been developing comprehensive reforms to strengthen higher education programs and expand college access for low- and middle-income students. In July, we approved the *College Access & Opportunity Act* to accomplish those goals. That bill took critical steps to increase program efficiency and reduce waste, eliminate excess lender subsidies, and place the financial aid programs on a solid financial foundation.

Today we're building on those reforms, generating savings of about \$14.5 billion on behalf of taxpayers by further reducing subsidies paid to lenders, improving the risk sharing structure, and injecting accountability into student aid administration by making portions of the student aid administrative account – known as the 458 account – discretionary. This is consistent with other administrative programs, and will improve opportunities for Congress to ensure the aid programs are administered efficiently and effectively.

The proposal we're considering today maintains key benefits provided for students in the underlying higher education plan. We reduce and equalize student loan fees, and we increase student loan limits. We increase flexibility within the loan programs, improve consumer protections, and make it easier for disadvantaged students to navigate the financial aid process.

This proposal was developed to ensure the long term stability and viability of the student aid programs. More students than ever before are pursuing higher education, and college enrollments are projected to grow in the future. This is good news for our national competitiveness, but bad news if we're not willing to make necessary changes so our student aid programs can support the growth in the college population.

My colleagues on the other side of the aisle have made it perfectly clear that they're not interested in stabilizing these programs over the long-term and using the savings to benefit taxpayers. In fact, they've identified proposals that I fear would actually weaken and destabilize the programs and threaten our ability to provide college access in the future. It is simply unacceptable for us to ignore the consequences of the policies we're creating today. We need to secure the long-term future of the federal student loan programs, and we can only accomplish that by placing them on a more solid financial foundation. Good fiscal policies will not only benefit millions of students, they will also serve the interests of all Americans.

More than 16 million students are enrolled in higher education in America, and they deserve a meaningful debate about how Congress can strengthen opportunities and ensure the long-term viability and success of the federal student aid programs. As the number of

American students pursuing higher education continues to grow, the federal investment will grow with it. It is imperative that Congress ensure that investment will be made wisely.